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SECURITIES AND EXCHANGE COMMISSION

[SEC File No. 270-616, OMB Control No. 3235-0671]

Proposed Collection; Comment Request

Upon Written Request, Copies Available From:
US Securities and Exchange Commission
Office of FOIA Services
100 F Street, NE
Washington, DC 20549-2736

Extension: Rule 613

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (“PRA”) (44 U.S.C. 3501 et seq.), the Securities and Exchange Commission (“Commission”) is soliciting comments on the existing collection of information provided for in Rule 613 (17 CFR 242.613). The Commission plans to submit this existing collection of information to the Office of Management and Budget (“OMB”) for extension and approval.

Rule 613 of Regulation NMS (17 CFR Part 242) requires national securities exchanges and national securities associations (“self-regulatory organizations” or “SROs”) to jointly submit to the Commission a national market system (“NMS”) plan to govern the creation, implementation, and maintenance of a consolidated audit trail and central repository for the collection of information for NMS securities. The NMS plan must require each SRO and its respective members to provide certain data to the central repository in compliance with Rule 613. When it adopted Rule 613, the Commission discussed the burden hours associated with the development and

submission of the NMS plan.¹ In doing so, the Commission noted that the development and submission of the NMS plan is part of a multi-step process for developing the consolidated audit trail and that the Commission deferred its discussion of the burden hours associated with the other paperwork requirements required by Rule 613 – such as the requirements to provide certain data to the central repository – until after the SROs submit an NMS plan and there has been an opportunity for public comment.²

The SROs submitted to the Commission the NMS plan on September 30, 2014³ and an amended and restated NMS Plan on February 27, 2015.⁴ Although the existing collection of information pertains to the development and submission of an NMS plan, and such NMS plan has been developed and submitted, the Commission believes it is prudent to extend this collection of information during the pendency of the Commission’s review of the NMS plan.

The Commission estimates that each of the 19 SROs would spend a total of 2,760 burden hours of internal legal, compliance, information technology, and business operations time to comply with the existing collection of information, calculated as follows: (880 programmer analyst hours) + (880 business analyst hours) + (700 attorney hours) + (300 compliance manager hours) = 2,760 burden hours to prepare and file an NMS plan, or approximately 52,440 burden hours in the aggregate, calculated as follows: (2,760 burden hours per SRO) x (19 SROs) = 52,440 burden hours. Amortized over three years, the annualized burden hours would be 920 hours per SRO, or a total of 17,480 for all 19 SROs.

¹ See Securities Exchange Act Release No. 67457 (July 18, 2012), 77 FR 45722 (August 1, 2012) (“Adopting Release”), at 45804–45807.

² Id. at 45804.

³ See Letter from the SROs, to Brent J. Fields, Secretary, Commission, dated September 30, 2014 (“CAT NMS Plan”).

⁴ See Letter from the SROs, to Brent J. Fields, Secretary, Commission, dated February 27, 2015 (“Amended and Restated CAT NMS Plan”).

The Commission further estimates that the aggregate one-time reporting burden for preparing and filing an NMS plan would be approximately \$20,000 in external legal costs per SRO, calculated as follows: 50 legal hours x \$400 per hour = \$20,000, for an aggregate burden of \$380,000, calculated as follows: (\$20,000 in external legal costs per SRO) x (19 SROs) = \$380,000. Amortized over three years, the annualized capital external cost would be \$6,667 per SRO, or a total of \$126, 667 for all 19 SROs.

Written comments are invited on: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's estimates of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information under the PRA unless it displays a currently valid OMB control number.

Please direct your written comments to: Pamela Dyson, Director/Chief Information Officer, Securities and Exchange Commission, c/o Remi Pavlik-Simon, 100 F Street, NE, Washington, DC 20549, or send an email to: PRA_Mailbox@sec.gov.

Dated: July 22, 2015.

Robert W. Errett,
Deputy Secretary.

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